

## Advanced Credit and Debit Card Payments and Virtual Terminal

Last updated on 1 July 2024

This Advanced Credit and Debit Card Payments and Virtual Terminal agreement (“**ACDC/VT Agreement**”) is a contract between you (the “**Merchant**”) and Operadora PayPal de México, S.A. de C.V. (“**PayPal**”, “**we**”, “**us**”, or “**our**”), and applies to your use of advanced credit and debit card payments (“**ACDC**”), and your use of Virtual Terminal (“**VT**”) when you’ve integrated ACDC (collectively, the “**Products**”). Each of the Products includes the PayPal services listed in this ACDC/VT Agreement and as described more fully on our website. You must read, agree with and accept all of the terms and conditions contained in this ACDC/VT Agreement. By using any of the Products, you agree to comply with all of the terms and conditions in this ACDC/VT Agreement, so please read all of the terms and conditions carefully.

This ACDC/VT Agreement applies in addition to the PayPal User Agreement and any other agreement to which you have entered into with PayPal (collectively “**PayPal Agreements**”) to your use of the PayPal services through the Products. If any inconsistency exists between the terms of the PayPal User Agreement and this ACDC/VT Agreement then, except for Express Checkout, the terms of this ACDC/VT Agreement shall control in connection with your use of the PayPal services through any Product. The terms of the PayPal User Agreement shall control for any inconsistency for Express Checkout.

We may revise this ACDC/VT Agreement and any applicable policies from time to time. The revised version will be effective at the time we post it unless otherwise noted. If our changes reduce your rights or increase your responsibilities, we will post a notice on the [Policy Updates](#) page of our website and provide you with the same length of advance notice as set forth in the [PayPal User Agreement](#). By continuing to use our services after any changes to this ACDC/VT Agreement, you agree to abide and be bound by those changes. If you do not agree with any changes to this ACDC/VT Agreement, you may terminate your use of the PayPal services through the Products before such changes become effective.

### 1. Credit Report Authorization.

You understand and agree that you are providing PayPal with your “written instructions”, and you are authorizing and acknowledge that PayPal may obtain your personal credit report from a credit bureau for the purpose of your use of these Products and PayPal services. You further understand and agree that you are authorizing PayPal to obtain your credit report on an ongoing basis for account review purposes.

### 2. Fees and Payment Terms.

a. [Fees](#). The fees you pay for use of ACDC and VT can be found on the Merchant Service Fee [page](#). All fees are in Mexican pesos unless otherwise stated. The fees associated with any Express Checkout transaction submitted by you via any Product are set forth in the PayPal User Agreement. For fees charged per transaction, the fee amount will be deducted from the transaction amount at the time of the transaction. You are liable for all claims, expenses, fines, and liability PayPal incurs arising out of your use of the Products. All fees are non-refundable.

b. [Promotional Period](#). If you have signed up for the PayPal services pursuant to a promotional period, you agree to pay any applicable fee upon the expiration of a promotional period offered by PayPal.

c. [Failure to Use Express Checkout](#). If you fail to comply with the requirement to use Express Checkout described in Section 8, you may be subject to up to a [fee](#) increase to your then current Transaction Fee rate. This fee may be included in your initial rate when you first sign up for the PayPal services, or may be added at any time by PayPal with 30 days' prior written notice of the fee increase. You agree to terminate your use of the PayPal services if you do not agree to this fee.

d. [Risk Factors Fee](#). If PayPal determines that your PayPal account receives, or is likely to receive, a disproportionately high number of customer complaints, Reversals, chargebacks, disputes, claims, fees, fines, penalties or other liability (collectively “**Risk Factors**”), you may be subject to up to a [fee](#) increase above your then current Transaction Fee rate. This fee may be added to your initial rate when you first sign up for the PayPal services, or may be added at any time by PayPal with 30 days' prior notice of the fee increase. You agree to terminate your use of the PayPal services if you do not agree to this Fee.

e. [Processing Requirements](#). You agree to submit only any transactions for processing which represent a bona fide, permissible transaction free of liens, claims, and encumbrances other than ordinary sales taxes; as outlined in this ACDC/VT Agreement and in the Card Company Rules, or which accurately describes the product or services being sold or the charitable donations being made. You authorize PayPal to submit transactions to and receive settlement from American Express and to disclose transaction and merchant information to American Express to perform analytics and create reports, and for any other lawful business purposes, including commercial marketing communications purposes and important transactional or relationship communications. You also agree to ensure data quality and that any Data is processed promptly, accurately and completely, and complies with the Card Companies' technical specifications. You agree not to process transactions or receive payments on behalf of any other party or redirect payments to any other party. You agree not to bill or collect from any cardholder for any purchase or payment on the card unless you have the right to do so under the Card Company Rules.

### 3. Data Security.

a. [General](#). You are fully responsible for the security of data on your website or otherwise in your possession or control. You agree to comply with all applicable laws and rules in connection with your collection, security and dissemination of any personal, financial, Card, or transaction information (defined as “**Data**”) on your website. You must report any Data breach or incident to PayPal and the Card Companies immediately after discovery of the incident.

b. [Merchant PCI Compliance](#). You agree that at all times you shall be compliant with the Payment Card Industry Data Security Standards (PCI DSS), the Payment Application Data Security Standards (PA DSS), and any Card Company data security requirements, as applicable. You agree to promptly provide us with documentation evidencing your compliance with PCI DSS, PA DSS, or other Card Company data security requirements, if requested by us. You also agree that you

will use only PCI compliant service providers in connection with the storage, or transmission of Card Data defined as a cardholder's account number, expiration date, and CVV2. You must not store CVV2 data at any time.

If you are accessing the Products through a platform service partner, you acknowledge that your platform service partner may offer solutions that help you comply with certain of these Merchant PCI compliance standards. While the platform service partner may help you comply or perform certain obligations on your behalf, you remain liable for compliance with these Merchant PCI Compliance standards.

c. PayPal PCI Compliance. PayPal agrees that it shall comply with the applicable PCI DSS requirements, as such may be amended from time to time, with respect to all cardholder data received by it in connection with this ACDC/VT Agreement. PayPal acknowledges that it is responsible for the security of cardholder data it possesses or otherwise stores, processes or transmits on behalf of the Merchant, or to the extent that they could impact the security of the Merchant's cardholder data environment.

d. Data Usage. Unless you receive the express consent of your customer, you may not retain, track, monitor, store or otherwise use Data beyond the scope of the specific transaction. Further, unless you get the express written consent of PayPal and each Acquiring Bank and/or the Card Companies, as applicable, you agree that you will not use nor disclose the Card Data for any purpose other than to support payment for your goods and services. Card Data must be completely removed from your systems, and any other place where you store Card Data, within 24 hours after you receive an authorization decision unless you have received the express consent of your customer to retain the Card Data for the sole purpose of processing recurring payments. To the extent that Card Data resides on your systems and other storage locations, it should do so only for the express purpose of processing your transactions. All Data and other information provided to you by PayPal in relationship to the PayPal services and all Card Data will remain the property of PayPal, its Acquiring Bank or the Card Companies, as appropriate.

If you are using ACDC and VT for payments received through a partner platform service provider, you may not be receiving Card Data, but may receive other confidential information about another PayPal customer in order to fulfill the transaction and you will continue to be bound by the terms of our User Agreement.

e. Password Security. You agree to restrict use and access to your password and log-on ID to your employees and agents as may be reasonably necessary, and will ensure that each such employee or agent complies with the terms of this ACDC/VT Agreement. You will not give, transfer, assign, sell, resell or otherwise dispose of the information and materials provided to you to utilize the PayPal services. You are solely responsible for maintaining adequate security and control of any and all IDs, passwords, or any other codes that are issued to you by PayPal, each Acquiring Bank or the Card Companies.

f. Audit. If PayPal believes that a security breach or compromise of Data has occurred, PayPal may require you to have a third-party auditor that is approved by PayPal conduct a security audit of your systems and facilities and issue a report to be provided to PayPal, the Acquiring Banks and the Card Companies. In the event that you fail to initiate an audit within 10 business days of PayPal's request, PayPal may conduct or obtain such an audit at your expense. In addition, the Card Companies may conduct an audit at any time, for the purpose of determining compliance with the Card Company Rules.

g. Compliance with Data Protection Schedule. You (as a "Merchant") and we agree to comply with the data protection addendum found [here](#), which forms part of this ACDC/VT Agreement. The terms of the data protection addendum prevail over any conflicting terms in this ACDC/VT Agreement relating to data protection and privacy.

h. Data Portability. Upon any termination or expiry of this ACDC/VT Agreement, PayPal agrees, upon written request from Merchant, to provide Merchant's new acquiring bank or payment service provider ("Data Recipient") with any available credit card information including personal data relating to Merchant's Customers ("Card Information"). In order to do so, Merchant must provide PayPal with all requested information including proof that the Data Recipient is in compliance with the Association PCI-DSS Requirements and is level 1 PCI compliant. PayPal agrees to transfer the Card Information to the Data Recipient so long as the following applies: (a) Merchant provides PayPal with proof that the Data Recipient is in compliance with the Association PCI-DSS Requirements (Level 1 PCI compliant) by providing PayPal a certificate or report on compliance with the Association PCI-DSS Requirements from a qualified provider and any other information reasonably requested by PayPal; (b) the transfer of such Card Information is compliant with the latest version of the Association PCI-DSS Requirements; and (c) the transfer of such Card Information is allowed under the applicable Association Rules, and any applicable laws, rules or regulations (including data protection laws).

#### 4. Additional Terms for American Express Card Acceptance.

a. American Express may use the information obtained in your application at the time of setup to screen and/or monitor you in connection with American Express Card marketing and administrative purposes.

b. You may be converted from this ACDC/VT Agreement to a direct card acceptance agreement with American Express if you reach certain monthly sales volumes. Upon conversion, (i) you will be bound by American Express' then-current Card Acceptance Agreement; and (ii) American Express will set your pricing and other fees for American Express Card acceptance.

c. By accepting these terms, you agree to receive commercial marketing communications from American Express. You may opt out by contacting PayPal at (888) 221-1161.

d. American Express shall be a third-party beneficiary of this ACDC/VT Agreement for purposes of American Express Card acceptance. As a third-party beneficiary, American Express shall have the right to enforce directly against you the terms of this Agreement as related to American Express Card acceptance. You acknowledge and agree that American Express shall have no responsibility or liability with regard to PayPal's obligations to you under this Agreement.

e. The American Express Merchant Operating Guide, which is incorporated herein by this reference, sets forth policies and procedures governing your acceptance of the American Express Card and can be accessed here: [www.americanexpress.com.mx/guia-comercio](http://www.americanexpress.com.mx/guia-comercio)

f. American Express may conduct an audit of you at any time, for the purpose of determining compliance with the American Express Network Rules.

g. You authorize PayPal to submit transactions to, and receive settlement from, American Express, and to disclose transaction and merchant information to American Express to perform analytics and create reports, and for any other lawful business purposes, including commercial marketing communications purposes and important transactional or relationship communications.

h. Merchant may terminate its acceptance of American Express at any time upon notice.

#### 5. Dynamic Currency Conversion.

You may not perform dynamic currency conversion. This means that you may not list an item in one currency and then accept payment in a different currency. If you are accepting payments in more than one currency, you must separately list the price of each product or service in each currency.

#### 6. Brand Parity.

By using the Products, PayPal permits you to directly accept Cards. With regard to your Card acceptance, you agree to the following:

- a. Where you accept Cards on your website, you will display each Card's logo with equal size and prominence, and you shall not display a preference for, nor discriminate against, one Card over another, including your refund policies for purchases.
- b. You agree to comply with the logo usage standards that PayPal indicates to you.
- c. You authorize PayPal to provide information regarding your business and individual Card transactions to third-parties for the purpose of facilitating the acceptance and settlement of your Card transactions and in connection with items, including chargebacks, refunds, disputes, adjustments, and other inquiries.

#### 7. Card Not Present.

You acknowledge that PayPal processes transactions through the Products as remote (card not present) payments. If you accept a Card that is physically presented to you at the point of sale you acknowledge that the scope of your protection from Chargebacks will be limited to the protection that is available for remote payments.

#### 8. Required Use of Express Checkout

a. If you use ACDC you must use Express Checkout in the following manner:

1. You must include a PayPal Express Checkout button either: (i) before you request the shipping/billing address and other financial information from your customers or (ii) on the same page that you collect such information if you only use one page for your checkout process.
2. You must offer PayPal as a payment option together with the other payment options you offer. The PayPal acceptance mark must be displayed with equal prominence to the logos for your other payment options. You shall not discriminate against PayPal, nor discourage its use, as a payment option over any other payment option offered by you.
3. You must provide your customers with the option of not storing their personal information, including their email address, shipping/billing address, and financial information.

#### 9. Chargeback Protection Tool.

a. **General.** Chargeback Protection Tool is a tool that allows you to reduce the fraud and chargebacks that you receive, and in the event if a transaction convert into a chargeback, this tool will protect you.

To be eligible for the use of Chargeback Protection Tool, you need to have a PayPal Business account, you must be approved by PayPal for such Chargeback Protection Tool, and you must:

- i. successfully integrate PayPal's approved Online Card Payment Services, including, but not limited to, Advanced Credit and Debit Card Payments;
- ii. successfully integrate the Risk Data Acquisition via our ACDC integration; and
- iii. provide additional data as required by PayPal.

PayPal reserves the right to change integration requirements upon notice.

Your application for Chargeback Protection Tools will be assessed by PayPal, and we may accept or reject applications at our sole discretion. You are not permitted to enable Chargeback Protection Tool or Fraud Protection at the same time. Upon enrolling in Chargeback Protection Tool, your use and access to Fraud Protection will be terminated. PayPal reserves the right, in its sole discretion, to cancel or suspend your use of Chargeback Protection Tool for any reason it deems appropriate at any time upon notice to you.

If you are approved and enroll in Chargeback Protection Tool, we will waive our right to recover the amount of any unauthorized chargeback and item not received chargeback losses made on "Eligible Transactions" (as defined below) pursuant to the [PayPal User Agreement](#), and we will not charge a chargeback fee pursuant to the PayPal User Agreement for Advanced Credit and Debit Card Payments and Virtual Terminal. This means, in the event of an Eligible Chargeback (as defined below), you will keep the transaction amount, and you will not pay any chargeback fee for such transaction. However, you must respond to our

requests for documentation and other information within the required timeframe when you enroll in following tools, as described below (“**Chargeback Protection Tool Options**” and “**Establishing proof of delivery or proof of shipment**”).

Chargeback Protection Tools are provided with two options – “Effortless Chargeback Protection Tool” and “Chargeback Protection Tool” (both as defined below).

**b. Chargeback Protection Tool Options.** Chargeback Protection Tools are available as two different options:

- i. “Effortless Chargeback Protection Tool”: for chargebacks involving transactions not authorized by the cardholder, as determined by PayPal, you **are not required** to provide proof of shipment or proof of delivery for physical goods or services in order to retain the transaction amount and avoid paying any chargeback fee for such transaction. However, if the chargeback involves transactions where the item was not received by the buyer, you **are required** to provide proof of shipment or proof of delivery for physical goods or services in order to retain the transaction amount and avoid paying any chargeback fee for such transaction. Proof of delivery or proof of shipment shall be provided to PayPal within two days of receipt of the chargeback claim (or such time period as otherwise specified by PayPal).
- ii. “Chargeback Protection Tool”: you **are required** to provide proof of shipment or proof of delivery for physical goods or services for Eligible Chargebacks in order to retain the transaction amount and avoid paying any chargeback fee for such transaction. Proof of delivery or proof of shipment shall be provided to PayPal within two days of receipt of the chargeback claim (or such time period as otherwise specified by PayPal).

**c. Eligible Chargebacks.** When Chargeback Protection Tool fails to stop chargebacks, then protection will apply to chargeback claims involving: (i) transactions not authorized by the cardholder, as determined by PayPal; and (ii) transactions where the item was not received (“Item Not Received”) by the buyer (collectively “Eligible Chargebacks”).

**d. Eligible Transactions.** When Chargeback Protection Tool fails to stop chargebacks, then protection will only apply to Eligible Chargebacks on card transactions processed by PayPal that meet the criteria set forth below (“Eligible Transactions”):

- i. Card transactions processed via the Advanced Credit and Debit Card Payments checkout integration; and
- ii. Card transactions for goods and services that are not (1) excluded under the terms of the [PayPal User Agreement](#), including but not limited to the [Acceptable Use Policy](#), or (2) “Ineligible Transactions” (as defined below).

**e. Ineligible Transactions.** Chargeback Protection Tools **do not** apply to chargebacks involving transactions where the item received by the buyer is not what they ordered (“Significantly Not as Described”).

Chargeback Protection Tools also **do not** apply to items or transactions that are ineligible for PayPal’s Seller Protection program (“Ineligible Transactions”). The list of the ineligible items or transactions for PayPal’s Seller Protection program are adopted and incorporated by reference, and can be found [here](#).

**f. Establishing proof of delivery or proof of shipment.** The proof of delivery and proof of shipment requirements of PayPal’s Seller Protection program apply to the Chargeback Protection Services and are adopted and incorporated by reference. The proof of delivery and proof of shipment requirements can be found [here](#).

**g. Chargeback Protection tool Fees.** The fees for the Chargeback Protection tools will vary depending on the Chargeback Protection tool option you select.

You may change your selected Chargeback Protection Tool option at any time from the product page [here](#). The change will take effect immediately but will only apply to Eligible Chargebacks received for transactions that occur on or after the date you change the Chargeback Protection tool option. For the purpose of illustration:

For example, if you change your selection from the “Effortless Chargeback Protection” option to the “Chargeback Protection” option on September 1, but an unauthorized chargeback or Item Not Received chargeback is filed in relation to a transaction that occurred on August 1, you must still pay the higher “Effortless Chargeback Protection” fee on such transaction, but you will not be required to provide proof of shipment or proof of delivery for unauthorized chargeback only transaction. For any unauthorized chargebacks or item not received chargebacks filed on transactions that occur on or after September 1, you will pay the lower “Chargeback Protection” fee, but you will be required to provide proof of shipment or proof of delivery in accordance with the “Chargeback Protection” requirements.

**h. Chargeback Recovery by PayPal.** If you have provided us with incorrect information (for example, with respect to your business type) during the application process for Chargeback Protection Services or during sign up for a PayPal account, we are entitled to recover all our chargeback losses from you (including for past transactions prior to us discovering that the information provided was incorrect). We are also entitled to recover all our chargeback losses from you if you violate the [PayPal User Agreement](#) (for example, if you engage in a Restricted Activity), the [Acceptable Use Policy](#) or this Agreement.

## 10. Fraud Protection

**a. General.** PayPal’s Fraud Protection may be made available to you as a fraudulent transaction management tool to help you screen potentially fraudulent transactions based on the settings you may adopt. The tool allows you to set filter rules, *i.e.*, to instruct PayPal which transactions we will decline on your behalf based on abstract criteria.

We may provide suggestions or recommendations regarding what filters and settings to use that may be appropriate for your business. These suggestions take into account your profile and past transaction history.

If you are provided access to Fraud Protection, then it is your responsibility to set the filter rules. Please note: If you set these filter rules too restrictively, you might lose sales volume. Also, if you set filter rules without restrictions you might lose chargebacks. We advise you to monitor your filter rules and settings on an ongoing basis.

b. No Warranty or Limitation of Liability. We do not represent or warrant that Fraud Protection is error-free or that it will identify all potentially fraudulent transaction activity. PayPal shall not be liable for your losses (such as loss of profits) or damages. The sections of the PayPal User Agreement on “Indemnification and Limitation of Liability” and “Disclaimer of Warranty and Release” apply to your use of Fraud Protection.

c. Data Protection. You may only use Fraud Protection for the purpose of your management of fraud risk and for no other purpose. You acknowledge that Fraud Protection does not provide Consumer Reports under the Fair Credit Reporting Act, and you will not use it, or let any other person use it, for the determination of eligibility for personal, family or household credit, loan, employment, or other purpose that would make the results from Fraud Protection be deemed Consumer Reports under the Fair Credit Reporting Act. You may not share use of Fraud Protection with any other person, nor may you disclose to any person the categories provided in Fraud Protection or the results generated from your use of Fraud Protection.

d. These terms supplement the [PayPal User Agreement](#) that governs your use of PayPal’s services in general. PayPal reserves the right to suspend, change or cancel PayPal’s Fraud Protection at any time as it may determine in its sole discretion. PayPal reserves the right to add additional terms and conditions for continued use of Fraud Protection.

#### 11. Account Updater Service and Vaulting Tool.

We may also offer you the Account Updater Service and the Vaulting Tool as part of the Advanced Credit and Debit Card Payments. If you are offered and choose to use the Account Updater Service, the terms in Schedule 1 below will apply to your use of that functionality.

If you are using the Vaulting Tool, you agree that it is your responsibility to comply with Association Rules, and applicable law, including by capturing your customers’ consent to store their card on file to be billed for future or recurring transactions and making available a mechanism for your customer to delete their card on.

#### 12. No Warranty.

THE PRODUCTS AND THE PAYPAL SERVICES AND ALL ACCOMPANYING DOCUMENTATION ARE PROVIDED TO YOU ON AN “AS IS” BASIS WITHOUT ANY WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PAYPAL MAKES NO WARRANTY THAT THE PAYPAL SERVICES WILL BE CONTINUOUS OR ERROR-FREE. PayPal does not guarantee, represent or warrant that the PayPal services and related features that enable you to detect or minimize fraudulent transactions will discover or prevent all non-valid or fraudulent transactions. PayPal is not responsible for any non-valid or fraudulent transactions that are processed.

#### 13. Reserves and other Protective Actions.

If, in our sole discretion, we believe there may be a high level of risk associated with you, your PayPal account, your business model, or your transactions we may take certain actions in connection with your Account and/or your use of the PayPal services.

a. Reserves. PayPal, in its sole discretion, may place a Reserve on funds held in your PayPal account when PayPal believes there may be a high level of risk associated with your Account. If PayPal places a Reserve on funds in your PayPal account, they will be shown as “pending” in your PayPal Balance. If your PayPal account is subject to a Reserve, PayPal will provide you with notice specifying the terms of the reserve. The terms may require that a certain percentage of the amounts received into your PayPal account are held for a certain period of time, or that a certain amount of money is held in reserve. PayPal may change the terms of the Reserve at any time by providing you with notice of the new terms.

b. Additional Actions. We may take other actions we determine are necessary to protect against the risk associated with your PayPal account including requesting additional collateral from you such as a letter of credit or a personal guarantee. PayPal may contact your customers, on your behalf, in the event that PayPal is investigating potential fraud.

c. Information. In order to determine the risk associated with your PayPal account, PayPal may request at any time, and you agree to provide, any information about your business, operations or financial condition. We reserve the right to reassess your eligibility for any Product if your business is materially different from the information you provided in your application.

#### 14. Termination.

a. By Merchant. You may terminate your use of the PayPal services at any time. Merchant may terminate its acceptance of American Express at any time upon notice.

b. By PayPal. PayPal may terminate your use of the PayPal services if:

1. You fail to comply with the terms of, or are unable to pay or perform your obligations under, this ACDC/VT Agreement or any of the PayPal Agreements that apply to the PayPal services;
2. We decide, in our discretion, that you become ineligible for the PayPal services because there is a high level of risk associated with your PayPal account or for any other reason, or upon request by any Acquiring Bank or any of the Card Companies.
3. You violate any Card Company Rule as they may be amended by the Card Companies from time to time.

c. Effect of Termination. If your use of any Product is terminated, your use of the PayPal services associated with that Product will immediately end. You agree to complete all pending Card transactions, immediately remove all logos for Cards, and stop accepting new transactions through the Product.

#### 15. PayPal is Your Agent for Receiving Payment.

You represent and warrant to PayPal that each transaction that you process through the ACDC or VT services is solely in payment for your provision of bona fide goods and/or services to your customers (each, a "Payor"). You hereby designate PayPal, and PayPal hereby agrees to serve, as your limited agent for the sole purpose of receiving such payments on your behalf from your Payors. You agree that upon PayPal receiving payment from a Payor: (a) you shall be deemed to have received payment from such Payor, (b) such Payor's obligation to you in connection with such payment shall be satisfied in full, (c) any claim you have for such payment against such Payor shall be extinguished and (d) you are obligated to deliver the applicable goods and/or services to the Payor, in each case regardless of whether or when PayPal remits such payment to you. In case you request PayPal to authorize the Payor's card and capture later:

- 1) PayPal guarantee funds only when the amount is captured in a single transaction and when the final capture amount is less than or equal to the authorized amount.
- 2) PayPal cannot guarantee funds if you try to receive the payment via multiple capture attempts for a single authorization – only the first payment capture is guaranteed to be processed successfully subject to the terms in <Legal agreement link>

PayPal cannot guarantee funds for capture request greater than the authorized amount.

PayPal will remit to you in accordance with this ACDC/VT Agreement or apply as an offset to any obligation you may have to PayPal, any such payments it receives on your behalf. Any receipt provided to the Payor shall be binding on you and shall satisfy all applicable regulatory requirements. This paragraph states the entirety of PayPal's duties as your agent for receipt of payment, and no other duties shall be implied by PayPal's undertaking to act in that capacity.

#### 16. General.

a. Law and Forum for Disputes. Except as otherwise agreed by the parties or as described in the PayPal User Agreement, you agree that any claim or dispute you may have against PayPal must be resolved by a court located in Mexico City. You agree to submit to the personal jurisdiction of the courts located in Mexico City for the purpose of litigating all such claims or disputes. This ACDC/VT Agreement shall be governed in all respects by the laws of Mexico City, without regard to conflict of law provisions.

b. Indemnification. You agree to defend, indemnify and hold PayPal, its parent, officers, directors and employees harmless from any claim or demand (including attorneys' fees) made or incurred by any third-party due to or arising (i) out of your breach of this ACDC/VT Agreement; (ii) your use of the Products or the PayPal services accessed through the Products; (iii) your fraudulent transaction or data incidents.

c. No Waiver. Our failure to act with respect to a breach by you or others does not waive our right to act with respect to subsequent or similar breaches.

d. Compliance with Laws. You agree to comply with all applicable laws, rules, or regulations, including the Card Company Rules.

e. Data Use. PayPal shall have the right (i) to use the Data it receives from you as necessary to perform the PayPal services; (ii) to collect and process the Data subject to applicable law to use internally for record keeping, internal reporting, analytics, fraud detection and support purposes; (iii) to compile and disclose Data in the aggregate where your individual or user Data is not identifiable, including calculating Merchant averages by region or industry; and (iv) to provide the Data as required by the Card Companies, the Acquiring Banks, law or court order, or to defend PayPal's rights in a legal dispute.

f. Complete Agreement. This ACDC/VT Agreement, along with the PayPal User Agreement and any applicable policies and agreements on the [Legal Agreements](#) page on the PayPal website, sets forth the entire understanding between you and PayPal with respect to your use of the Products and the PayPal services accessed through the Products. If any provision of this ACDC/VT Agreement is held to be invalid or unenforceable, such provision shall be struck and the remaining provisions shall be enforced. In addition, your acceptance of Card transactions via a Product is also subject to a Commercial Entity Agreement you have with each of the Acquiring Banks.

#### 17. Definitions.

**"ACDC/VT Agreement"** has the meaning provided in the first paragraph of this ACDC/VT Agreement.

**Account Updater Service:** A functionality as further defined in Schedule 1.

**"Acquiring Bank"** means each of the financial institutions PayPal partners with to process your Card payments, including your ACDC/VT Payments, and each of your Card funded Express Checkout payments.

**"Advanced Credit and Debit Card Payments"** means the suite of functionality consisting of the Advanced Credit and Debit Card Payments API (as the standard online interface) and Fraud Protection (as an optional additional Service). This suite of functionality may also include optional add-on features (e.g., integration of eligible third-party wallets) that require your acceptance of additional third-party terms before such add-on features may be used. In such cases, the additional third-party terms will be provided to you at the time of enrollment.

**"American Express"** means **American Express Company (México), S.A. de C.V.**, and its affiliates.

**"API"** means PayPal's proprietary application programming interfaces used to interface with the PayPal systems in order to use certain PayPal services.

**“Card Companies”** means a company or group of financial institutions that promulgate rules to govern Card Transactions via bankcard and payment networks including MasterCard, Visa, American Express, and the debit networks.

**“Card Company Rules”** means the rules and regulations governing acceptance of Cards. Rules are available [Visa](#), [MasterCard](#) and [American Express](#)

**“Card Data”** means a cardholder’s account number, expiration date, and CVV2.

**“Cards”** means Visa, MasterCard, and American Express, and debit network branded payment cards.

**“Chargeback Protection Tool”** means the optional tool that protects eligible Advanced Credit and Debit Card Payments from “unauthorized” and “item not received” chargebacks, as further described herein.

**“CVV2 Data”** means the three or four digit number printed to the right of the Card number in the signature panel on the back of the Card. On American Express Cards, it is printed on the front of the Card above the Card number.

**“Data”** has the meaning provided in Section 3(a).

**“Direct Payment”** means a payment processed by PayPal that is funded directly by a Card and not through a PayPal account.

**“Express Checkout”** means the PayPal service where PayPal is a payment option on a merchant’s website at checkout, with payments being processed by PayPal through the Express Checkout API and funded directly from a User’s PayPal account.

**“Fixed Fee”** means the portion of the Transaction Fees that is a fixed monetary amount and not a percentage of the payment amount.

**“Fraud Protection”** means the optional service associated with ACDC, that allows you to access additional risk management features to help protect you from fraud and chargebacks, as described in more detail on the PayPal website.

**“Monthly Sales Volume”** means the total payment volume processed by you through any Product using any payment method.

**“Online Card Payment Services”** means the suite of payment processing services offered by PayPal which provide merchants with the ability to accept and receive credit and debit card payments on a website or mobile application where cardholders enter their own Card Data, or by merchants manually entering Card Data given to them by a cardholder. For purposes of this ACDC/VT Agreement, these services include Payments Advanced, Payments Pro, Payments Pro Payflow, ACDC, and Virtual Terminal.

**“PayPal Agreements”** has the meaning provided in the second paragraph of this ACDC/VT Agreement.

**“PayPal User Agreement”** means the online agreement you entered into with PayPal when you opened your PayPal account, as it may have been amended from time to time. The PayPal User Agreement currently in effect can be accessed via the Legal Agreements link in the footer of nearly every page on the PayPal website.

**“Products”** has the meaning provided in the first paragraph of this ACDC/VT Agreement.

**“Recurring Payments”** means the optional feature associated with ACDC and VT that, with the consent of your customer, enables you to set up payments that recur at specified intervals and frequencies, as described in more detail on the PayPal website.

**“Risk Data Acquisition Service”** includes but is not limited to the Fraudnet, Magnes, and STC integrations.

**“Transaction Fees”** means the fees provided in Section 2(b) of this ACDC/VT Agreement. Note, if you use certain optional PayPal services, certain additional fees may apply to your transactions on a per transaction basis, as outlined in Section 2(c); however, these are not included in this definition.

**Vaulting Tool:** The API-based technology provided by PayPal to enable you to store and retrieve Card details for payments that recur at specified intervals or frequencies with authorization from the payor, as described in more detail on the PayPal website.

**“Virtual Terminal” or “VT”** means the PayPal service that enables you to receive a Card payment by manually entering Card Data given to you by a customer.

**“VT Payment”** means a payment processed by PayPal through the Virtual Terminal flows that is funded directly by a Card and not through a PayPal account.

#### **Schedule 1 – Terms for processing card transactions**

1. If you use Advanced Credit and Debit Card Payments, you may be able to enroll in our Account Updater Service.
2. **Description.** Subject to the terms of this Schedule 1, the Account Updater Service allows PayPal to send the applicable Card Data of eligible cards to one or more third party sources (including, but not limited to, the Card Associations), and use information available to PayPal, to check and update the applicable Card Data. Following these checks, the applicable updated Card Data relating to Merchant’s customers, if any, is processed and stored by PayPal at Merchant’s direction and on the Merchant’s behalf for (i) recurring transactions or (ii) other eligible transactions using the Services. PayPal will either provide Merchants with email notification that the Account Updater Service has been activated on such Merchants’ account(s) or allow Merchants to enable the Account Updater Service on their account(s) through their PayPal account settings. Merchants may elect to discontinue use of the Account Updater Service at any time by providing written notice to PayPal of such election or by such other means as may be determined by PayPal regarding the requirements for such Merchants to discontinue use of the Account Updater Service.

3. **Permitted Use.** Merchant acknowledges and agrees that the Account Updater Service is provided solely for the purpose of updating applicable Card Data to enable Merchant's acceptance of transactions using the applicable Products. Merchant shall not use the Account Updater Service for any other purpose, including, without limitation, the use of any portion of the Account Updater Service data in connection with the development of any other service or product.
4. **Merchant Obligations.** Merchant shall fully comply with applicable law and the card scheme rules in connection with its use of the Account Updater Service. Further, Merchant shall provide its customers, whose card(s) is/are eligible for the Account Updater Service, with all disclosures required under applicable law to enable Merchant to use the Account Updater Service to update the customer's Card(s). The foregoing shall include, but shall not be limited to, incorporating promptly into Merchant's standard terms and conditions, privacy policy, and/or other customer facing documentation, any language required by applicable law or the card scheme rules. Merchant shall also provide adequate disclosures to make clear to customers that if they do not want their applicable Card Data updated, they may request Merchant to remove their card that is being stored by PayPal.
5. **Accuracy of Information.** Merchant acknowledges that the Account Updater Service may only be accurate to the extent a card issuing bank and a customer participate, and that many card issuing banks and customers may not participate. Merchant acknowledges and agrees that the Account Updater Service may rely upon information, Card Data, and services provided to PayPal by third parties.
6. **Confidentiality.** You agree that you shall keep all information and Card Data provided through the Account Updater Service, if any, strictly confidential. You may not disclose any such information or Card Data to any third party and you may not use such information or Card Data for any purpose other than as may be expressly permitted.
7. **Indemnification.** You shall indemnify PayPal against any loss arising as a result of a breach by you of your obligations under this Schedule 1 for use of the Account Updater Service.
8. **Cessation and Availability of Account Updater Service.** PayPal may immediately cease offering or providing the Account Updater Service to Merchants at any time upon email notice to Merchants. PayPal does not ensure that the Account Updater Service will be available for all Card Data.